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STATE FOR EB/CBA (DENNIS A. WINSTEAD), EB/EX AND EUR/SE

E.O. 12958: N/A

TAGS: [BEXP](#) [ABUD](#) [AMGT](#) [ETRD](#) [ECON](#) [EINV](#) [BTIO](#) [CY](#)

SUBJECT: CYPRUS' PROPOSAL FOR BFIF FUNDS

REF: STATE 159597

**¶1.** Summary: Embassy Nicosia requests BFIF funding to: 1) reserve space at the 2008 Cyprus Travel show to promote tourism to the U.S. as well as to cover costs for related advertising and printing of promotional materials; 2) cover travel expenses for two FSN's for BSP and E-menu training, as well as training on the new TMS system, to FCS Cairo, Egypt; 3) promotional and advertising costs for the new "Business Service Provider" program and the BuyUSA Cyprus website; 4) send the Economic/Commercial Officer to Athens to participate in the planned Greece-Cyprus joint Healthcare Trade Mission from the U.S. in late May; 5) send Economic/Commercial Officer to an International Trade Officer Conference in Brussels in March; 6) in cooperation with the newly-formed Cyprus Investment Promotion Agency (CIPA,) create information kits and market assessments alerting the U.S. business community to business and investment opportunities in Cyprus. End Summary.

**¶2.** Embassy Nicosia requests funding to cover costs of participation at Cyprus' annual Travel Show (May 9-11, 2008) for the purpose of promoting tourism to the U.S. Moreover, post requests funding to advertise its participation and to print brochures and other promotional material.

a) Justification: given the Euro's appreciation against the US\$ and Cyprus having joined the Eurozone on January 1, 2008, this is an opportune time to promote tourism to the U.S. from Cyprus. This will also give us an opportunity to create closer relationships with tour operators, airlines, and the media for ongoing promotion of the U.S. to Cypriot travelers as an attractive tourist destination. We need to alert Cypriot travelers that the U.S. is a lower-cost alternative to the traditional Cypriot shopping and/or gambling expeditions to the U.K.

b) Anticipated outcomes: Statistics show that of 844,640 trips taken abroad by Cypriots in 2006, only 10,779 were to the United States. Conversations with local travel agents indicate that there is significant potential for growth. In cooperation with the DOC Travel and Tourism team and tourism promotion centers throughout the U.S. - and through our promotional effort here - we anticipate that raising awareness of the relative bargain prices for goods and services in the U.S. will generate a significant increase in Cypriot outbound tourism.

c) Estimated costs: Booth costs at Travel show (for 15m2): \$2,372 (\$158.125 per square meter / conversion rate is CY#1 = USD 2.50); Advertising costs: 4 half-page ads in the highest circulation newspaper x \$2,943.60 (2000) each = \$11,774; printing of brochures and other promotional material: estimated \$2,000. Total estimated cost: \$16,146.

d) Point of contact: If you wish to get more information on this project, please contact the Commercial Specialist, Ms. Ephie-Yvonne Charalambidou at [charalambidouey@state.gov](mailto:charalambidouey@state.gov) or +357-22-393362 or Economic/Commercial Officer Mr. James Carousou at [carousouja@state.gov](mailto:carousouja@state.gov) or at +357-22-393359.

e) Success criteria will include an increased number of high-spending tourists visiting the U.S. from Cyprus.

13. Post requests funding to send two FSNs to FCS Cairo, Egypt for training with the regional IT programs manager on the new TMS system, for the "Business Service Provider" program, and for E-menu.

In association with upgrading our online capabilities, Post also seeks funds to cover promotional and advertising costs for our recently-inaugurated "Business Service Provider" program and the BuyUSA Cyprus website.

a) Justification: The BuyUSA Cyprus website is getting an increasing number of hits (up 73 percent) and page visits (up 94 percent) from December 2006 to December 2007. To continue this momentum, we recently introduced the "Business Service Provider" program to our website. However, the two FSN's working on the website require additional training on how to enter information on the BSP program and on the TMS system in view of its scheduled changes. In just one month, we have received over twenty (20) applications from Cypriot businesses asking to participate in our BSP program. We want to ensure that these companies will get the most out of their investment in our program. Moreover, we would like to advertise our website and the services we offer, especially the BSP, in order to attract more U.S. and Cypriot visitors to our site.

b) Anticipated outcomes: The training will help the FSN's handle the TMS and BSP systems more efficiently and effectively. A promotional campaign will attract more U.S. and Cypriot visitors to our site and increase participation in our BSP program as well as inform U.S. businesses of the services we offer.

c) Estimated costs: Ticket costs to fly roundtrip from Cyprus to Cairo - approximately \$435 per person ( $435 \times 2 = 870$ ); Per Diem, per day: \$228 per person (including hotel accommodation and M&IE ( $228 \times 4 = 912$ )  $\times 2 = 1,824$ ); Total estimated cost for a four-day trip for both FSN's: \$2,694

Funds to cover advertising costs (banner headlines on websites, small newspaper ads, mailing of information on BSP program and website): estimated cost: \$2,500.

Total estimated cost for both: \$5,194

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e) Success criteria: FSNs are not yet fully proficient in the TMS and BSP systems and this training would help them become less dependent on other posts and more efficient in using the latest FCS systems. Advertising the website and BSP program would assist Post in raising money to use for other commercial promotion purposes.

f) Post will ensure that the FSNs remain adequately trained on the TMS system.

14. Post requests funding to send the Economic/Commercial Officer to Athens to attend a joint (Greece/Italy/Cyprus) FCS-sponsored trade mission for the healthcare sector May 28-31, 2008. This trade mission is led by our Partner Post in Athens and is seen as part of our joint efforts to promote business opportunities in Cyprus to U.S. companies and businesspersons.

a) Justification: Since this is our first joint trade mission with Athens, and healthcare is a targeted growth sector for the Cypriot government, the Nicosia FCS Officer should participate in the mission and escort the participating Cypriot healthcare companies. This joint trade mission represents a new level of cooperation and synergy between Nicosia and its Athens Partner Post.

b) Anticipated outcome: Precedent-setting co-effort with our Partner Post leading to U.S. companies and businesspersons gaining increased awareness of the Cyprus market in a sector of importance to both economies.

c) Estimated costs: Ticket cost to fly roundtrip from Cyprus to Athens - approximately \$500 per person; Per Diem, per day: \$325 (\$325x6=1,950).

Total estimated cost for a six-day trip: \$2,450

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e) Success criteria: A closer working relationship between Nicosia and our Partner Post and increased awareness of business opportunities from the U.S. in the Cyprus market.

15. Post requests funding to send the Economic/Commercial Officer to Brussels on a two-day International Trade Officers Conference in March. This conference is held to update trade officers posted in EU capitals on the background and current state of play of various international trade issues and to provide an opportunity to the trade officers to discuss those issues both with specialists most directly involved and with other regional trade officers.

a) Justification: The conference will give the Officer the chance to meet and discuss U.S.-EU related issues with other trade officers from around the world and be better equipped to provide answers to important trade questions raised by host country officials.

b) Anticipated outcome: increased ability of the Econ/Commercial Officer for better interaction with host country counterparts.

c) Estimated costs: Ticket cost to fly roundtrip from Cyprus to Brussels - approximately \$1000 per person; Per Diem, per day: \$364 (\$364x4=1,456 - including days for travel to and from Brussels)  
Total estimated cost: \$2,456

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16. Post seeks funding to create information kits and market assessments for distribution (in hard copy and electronic format) - in cooperation with the newly-formed Cyprus Investment Promotion Agency (CIPA) - to better inform U.S. entities of business and investment opportunities in Cyprus.

a) Justification: The CIPA is a newly-formed organization created to promote Cyprus as an investment center. By working closely with this organization and its executives from its beginning, we hope to be able to influence CIPA's policies and acquire (and disseminate) information about business and investment opportunities in the most timely manner.

b) Anticipated outcome: Increased information flow to the U.S. business community regarding Cyprus resulting in an increase in U.S. business activity here.

c) Estimated costs: \$3,000 to include printing/putting together information kits/mailing costs.

d) Post point of contact: If you wish to get more information on this project, please contact Commercial Specialist Ms. Ephie-Yvonne Charalambidou [charalambidouey@state.gov](mailto:charalambidouey@state.gov) or +357-22-393362 or Economic/Commercial Officer Mr. James Carousuo at [carousuja@state.gov](mailto:carousuja@state.gov) or at +357-22-393359.

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